

Amended Statement Cover

Per the State of Michigan, pages 3 and 4 have been amended.

HEALTH QUARTERLY STATEMENT

AS OF March 31, 2003

OF THE CONDITION AND AFFAIRS OF THE

MCAID

NAIC Group Code

3414

,

3414

NAIC Company Code

11557

Employer's ID Number

32-0026448

(Current Period)

(Prior Period)

Organized under the Laws of

Michigan

,

State of Domicile or Port of Entry

Michigan

Country of Domicile

United States of America

Licensed as business type:

Life, Accident & Health[]

Property/Casualty[]

Hospital, Medical & Dental Service or Indemnity[]

Dental Service Corporation[]

Vision Service Corporation[]

Health Maintenance Organization[X]

Other[]

Is HMO Federally Qualified? Yes[X] No[]

Date Incorporated or Organized

09/25/2002

Date Commenced Business

01/01/2003

Statutory Home Office

2301 Commonwealth Blvd.

,

Ann Arbor, MI 48105

(Street and Number)

(City, or Town, State and Zip Code)

Main Administrative Office

2301 Commonwealth Blvd.

(Street and Number)

Ann Arbor, MI 48105

(City or Town, State and Zip Code)

(734)747-8700

(Area Code) (Telephone Number)

Mail Address

2301 Commonwealth Blvd.

,

Ann Arbor, MI 48105

(Street and Number or P.O. Box)

(City, or Town, State and Zip Code)

Primary Location of Books and Records

2301 Commonwealth Blvd.

(Street and Number)

Ann Arbor, MI 48105

(City, or Town, State and Zip Code)

(734)747-8700

(Area Code) (Telephone Number)

Internet Website Address

Statutory Statement Contact

Michele L. Laupmanis

(Name)

mlaupman@mcare.med.umich.edu

(E-Mail Address)

(734)332-2623

(Area Code)(Telephone Number)(Extension)

(734)332-2177

(Fax Number)

Policyowner Relations Contact

2301 Commonwealth Blvd.

(Street and Number)

Ann Arbor, MI 48105

(City, or Town, State and Zip Code)

(734)913-2211

(Area Code) (Telephone Number)(Extension)

OFFICERS

President

Zelda Geyer-Sylvia

Chairman

Lazar J. Greenfield M.D.

Chief Financial Officer

Gregory A. Hawkins

Secretary

Larry Warren

Treasurer

Douglas L. Strong

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

Zelda Geyer-Sylvia

Lazar J. Greenfield M.D.

State of

Michigan

County of

Washtenaw

ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manuals except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

(Signature)

Zelda Geyer-Sylvia

(Printed Name)

President

(Signature)

Gregory A. Hawkins

(Printed Name)

Chief Financial Officer

(Signature)

Douglas L. Strong

(Printed Name)

Treasurer

Subscribed and sworn to before me this

day of

, 2003

(Notary Public Signature)

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$..... reinsurance ceded)				
2.	Accrued medical incentive pool and bonus payments				
3.	Unpaid claims adjustment expenses				
4.	Aggregate health policy reserves				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance				
9.	General expenses due or accrued				
10.1	Current federal and foreign income tax payable and interest thereon (including \$..... on realized gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current)				
15.	Amounts due to parent, subsidiaries and affiliates				
16.	Payable for securities				
17.	Funds held under reinsurance treaties with (\$..... authorized reinsurers and \$..... unauthorized reinsurers)				
18.	Reinsurance in unauthorized companies				
19.	Net adjustments in assets and liabilities due to foreign exchange rates				
20.	Liability for amounts held under uninsured accident and health plans				
21.	Aggregate write-ins for other liabilities (including \$..... current)				
22.	Total liabilities (Lines 1 to 21)				
23.	Common capital stock	X X X	X X X		
24.	Preferred capital stock	X X X	X X X		
25.	Gross paid in and contributed surplus	X X X	X X X	1,050,000	1,050,000
26.	Surplus notes	X X X	X X X		
27.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
28.	Unassigned funds (surplus)	X X X	X X X	91,101	(1,681)
29.	Less treasury stock, at cost:				
29.1	..... shares common (value included in Line 23 \$.....)	X X X	X X X		
29.2	..... shares preferred (value included in Line 24 \$.....)	X X X	X X X		
30.	Total capital and surplus (Lines 23 to 28 minus Line 29)	X X X	X X X	1,141,101	1,048,319
31.	Total liabilities, capital and surplus (Lines 22 and 30)	X X X	X X X	1,141,101	1,048,319
DETAILS OF WRITE-INS					
2101	.....			
2102	.....			
2103	.....			
2198.	Summary of remaining write-ins for Line 21 from overflow page				
2199.	TOTALS (Lines 2101 through 2103 plus 2198) (Line 21 above)				
2701	.....	X X X	X X X		
2702	.....	X X X	X X X		
2703	.....	X X X	X X X		
2798.	Summary of remaining write-ins for Line 27 from overflow page	X X X	X X X		
2799.	TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date
		1 Uncovered	2 Total	3 Total
1.	Member Months	X X X	44,093	
2.	Net premium income (including \$..... non-health premium income)	X X X	6,214,685	
3.	Change in unearned premium reserves and reserves for rate credits	X X X		
4.	Fee-for-service (net of \$..... medical expenses)	X X X		
5.	Risk revenue	X X X		
6.	Aggregate write-ins for other health care related revenues	X X X		
7.	Aggregate write-ins for other non-health revenues	X X X		
8.	Total revenues (Lines 2 to 7)	X X X	6,214,685	
Hospital and Medical:				
9.	Hospital/medical benefits		4,195,563	
10.	Other professional services			
11.	Outside referrals			
12.	Emergency room and out-of-area			
13.	Prescription drugs		1,030,852	
14.	Aggregate write-ins for other hospital and medical		304,648	
15.	Incentive pool and withhold adjustments			
16.	Subtotal (Lines 9 to 15)		5,531,063	
Less:				
17.	Net reinsurance recoveries			
18.	Total hospital and medical (Lines 16 minus 17)		5,531,063	
19.	Non-health claims			
20.	Claims adjustment expenses			
21.	General administrative expenses		611,539	
22.	Increase in reserves for life and accident and health contracts (including \$..... increase in reserves for life only)			
23.	Total underwriting deductions (Lines 18 through 22)		6,142,602	
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	72,083	
25.	Net investment income earned		20,700	
26.	Net realized capital gains or (losses)			
27.	Net investment gains or (losses) (Lines 25 plus 26)		20,700	
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....) (amount charged off \$.....)]			
29.	Aggregate write-ins for other income or expenses			
30.	Net income or (loss) before federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	92,783	
31.	Federal and foreign income taxes incurred	X X X		
32.	Net income (loss) (Lines 30 minus 31)	X X X	92,783	
DETAILS OF WRITE-INS				
0601	.....	X X X		
0602	.....	X X X		
0603	.....	X X X		
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X		
0701	.....	X X X		
0702	.....	X X X		
0703	.....	X X X		
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X		
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X		
1401.	Misc Health and Mental Health		303,485	
1402.	Stop-Loss Insurance		1,163	
1403	.....		
1498.	Summary of remaining write-ins for Line 14 from overflow page			
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		304,648	
2901	.....		
2902	.....		
2903	.....		
2998.	Summary of remaining write-ins for Line 29 from overflow page			
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)			